

1 Heinz Binder, Esq. (SBN 87908)  
Wendy Watrous Smith (SBN 133887)  
2 Binder & Malter, LLP  
2775 Park Avenue  
3 Santa Clara, CA 95050  
4 T: (408) 295-1700  
F: (408) 295-1531  
5 Email: [Heinz@bindermalter.com](mailto:Heinz@bindermalter.com)  
Email: [Wendy@bindermalter.com](mailto:Wendy@bindermalter.com)  
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7 Attorneys for Paul Harms, Johanna Fogl,  
Catherine Hung and Tom Pare', Creditors  
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9 **UNITED STATES BANKRUPTCY COURT**  
10 **NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION**

11 In re:	Case No. 21-51255
12 DUTCHINTS DEVELOPMENT, LLC,	Chapter 11
13	Date: January 13, 2022
14	Time: 10:00 a.m.
15 Debtor.	Place: Telephone/Videoconference
16	Judge: M. Elaine Hammond

17 **CREDITORS PAUL HARMS, JOHANNA FOGL, CATHERINE HUNG AND TOM**  
18 **PARE'S REPLY TO DEBTOR'S OBJECTION TO COMMITTEE OF UNSECURED**  
19 **CREDITORS FOR ORDER CONVERTING DEBTOR'S CHAPTER 11 CASE TO**  
20 **CHAPTER 7**

21 Creditors Paul Harms, Johanna Fogl, Catherine Hung and Tom Pare' (together, the  
22 "Creditors") joined in the motion brought by the Official Committee of Unsecured Creditors (the  
23 "Committee") to convert this case to one under Chapter 7 of the Bankruptcy Code (the "Motion").

24 The debtor, Dutchints Development, LLC, (the "Debtor") filed an objection to the Motion,  
25 but it fails to provide any substantive reason why, given the delay in the case and the Debtor's  
26 complete failure to comply with the most basic requirements of the bankruptcy process, the case  
should not be converted as requested.

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1 The Debtor does not explain why the extensive assets described in the Motion were not  
2 either included in the schedules or described in the statement of financial affairs as having been  
3 transferred. Nor does the Debtor explain why the schedules have not been amended as has been  
4 repeatedly requested by the United States Trustee, or why basic reporting requirement have not  
5 been met. (Claims of being “unfamiliar” with the rules are unacceptable three months into a case.)  
6 The Debtor provides only a vague promise that they are in “the process” of being amended. The  
7 comment that the Debtor is “not familiar” with the rules provides no excuse. The Debtor has had  
8 three months to become compliant. Claims of ignorance do not provide an excuse.

9 In response to the Committee’s accusation that the case has not proceeded, specifically,  
10 that there has been no debtor-in-possession financing identified, nor any accountant retained, the  
11 Debtor responds only that it is in the process of doing so. The Debtor also fails to identify any new  
12 counsel, stating only that it is “in the process” of resolving its disputes with current counsel or  
13 finding an alternative. As observed by the Motion, there also has been no action by the Debtor to  
14 retain special counsel in order to prosecute the lawsuits it claims as its assets. Finally, the  
15 Debtor’s objection makes no mention of any effort to comply with the extensive requests for the  
16 United States trustee for documentation.

17 Finally, the declaration filed with the opposition suggests that the principal is settling  
18 claims “on behalf” of the Debtor and will seek approval, but there is no indication if it is the  
19 Debtor that is to pay, and if so, the source of the payment and whether it is to be done in the  
20 context of a plan. The Debtor has provided no evidence that it will be able to re-organize, or has  
21 any intent to comply with the requirements of the Bankruptcy Code.

22 The case should be converted.

23 Dated: January 6<sup>th</sup>, 2022

BINDER & MALTER, LLP

24 By: /s/Wendy Watrous Smith  
25 Wendy Watrous Smith

26 Attorneys for Creditors  
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